GOVERNMENT OF INDIA
COAL
LOK SABHA

UNSTARRED QUESTION NO:626
ANSWERED ON:25.02.2009
DIVERSION OF SURPLUS COAL
Rao Shri Kavuru Samba Siva

Will the Minister of COAL be pleased to state:

(a) whether some private sector coal companies have requested for diversion of surplus coal available with them for selling to other companies engaged in thermal power generation;

(b) if so, the details thereof; and

(c) the action proposed to be taken by the Government in this regard? ANSWER

Answer

MINISTER OF STATE IN THE MINISTRY OF COAL (SHRI SANTOSH BAGRODIA)

(a) to (c): The Government have given in principle approval for use of surplus coal produced from Moher, Moher- Amlori Extn. and Chhatrasal coal blocks allotted to M/s Sasan Power Ltd. in other power projects of M/s Reliance Power Ltd. on the following conditions:

i) Incremental coal quantity would be determined based on the Mine Plan approved by Ministry of Coal.
ii) The 3960 MW Sasan UMPP will always have the first right and overriding priority over all coal produced from the allotted blocks and the allottee shall always ensure that the generation from the UMPP for the entire contracted period will not be allowed to be affected by utilization of incremental coal by any other project of the Group. Any loss in generation in the awarded UMPP at Sasan shall only be on account of genuine reasons such as maintenance, repairs etc.
iii) End use of coal from these locks would be restricted to power generation.
iv) The power generated by utilizing incremental coal from these captive coal blocks would be sold through tariff based competitive bidding.

However, specific permission shall be considered on submission of specific proposal at the appropriate time.